

216.401 General.

(c) See PGI [216.401](#) (c) for information on the Defense Acquisition University Award and Incentive Fees Community of Practice.

(d)(i) Except as provided in paragraph (d)(ii), the determination and findings justifying that the use of an incentive- or award-fee contract is in the best interest of the Government, may be signed by the head of contracting activity or a designee—

(A) No lower than one level below the head of the contracting activity for award fee contracts; or

(B) One level above the contracting officer for incentive fee contracts.

(ii) For cost-reimbursement incentive- or award fee contracts valued in excess of \$25 million, the determination and findings justifying that the use of this type of contract is in the best interest of the Government shall be signed by the head of the contracting activity. See DFARS [216.301-3](#) (2).

(e) Award-fee plans required in FAR 16.401(e) shall be incorporated into all award-fee type contracts. Follow the procedures at PGI [216.401](#) (e) when planning to award an award-fee contract.

[216.401-71 Objective criteria.](#)

Parent topic: [SUBPART 216.4 —INCENTIVE CONTRACTS](#)